



MEMORANDUM

LEGISLATIVE REFERENCE BUREAU

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To: Ald. James A. Bohl, Jr.
From: Dana Zelazny, Legislative Reference Bureau
Date: October 9, 2017
Subject: COMPENSATION FOR CITY COUNCIL MEMBERS IN OTHER CITIES

This memo is in response to your request for information concerning compensation for council members in a pre-selected group of 17 cities. You requested information about current pay for the position, the circumstances of the last pay increase, whether the position is full- or part-time, whether a city manager is used in the municipality, how many staff are under each council member's direct authority, the circumstances of any discretionary office budget allocated to each council member, and whether there is a pension for the position, and if so, how it is funded.

Please see the attached table with current data for the following cities: Atlanta, Baltimore, Boston, Chicago, Cincinnati, Cleveland, Denver, Des Moines, Detroit, Fresno, Las Vegas, Minneapolis, Portland, Sacramento, Seattle, St. Paul and Washington, D.C.

CURRENT COUNCIL MEMBER SALARY

The average 2017 salary for council members in the selected cities is \$83,498. The highest council member salary is \$137,144 in Washington D.C., and the lowest is \$26,500 in Des Moines. Detroit council members also receive city cars for their use. In most cities, council member wages are not uniform. Variations can be attributed to individual council members refusing to take raises or cost-of-living adjustments, especially during the economic downturn in 2008-09, salary increases not taking effect for sitting council members until the following election cycle, and increased salaries for council presidents. The salaries listed in the attached table are the highest possible salary for regular council members.

LAST SALARY INCREASE

Most cities reported upward cost-of-living adjustments of at least 2%, if not actual raises, within the last two years. In Atlanta, a 52% raise took effect in 2014, increasing council member salaries from \$39,473 to \$60,300. Washington, D.C. approved a 5.9% raise which took effect in 2015, as well as cost-of-living adjustments in 2016 and 2017. Des Moines approved a 22% increase in 2014, effective in 2016, to raise salaries from \$21,340 to \$26,500. Denver authorized a 10.3% raise in 2015 to take effect in steps over successive years, bringing council member salaries up to a final salary of \$91,915

in 2017. Boston council members approved a \$12,000 increase that took effect in 2016, bringing their salaries to \$99,773. Cincinnati and Fresno council members have had unchanged salaries for the longest periods, since 2004 and 2006, respectively.

In some municipalities, including Atlanta, Boston, Des Moines and Fresno, council members must vote to increase their salaries. In other cities, council member salaries are tied to some other factor by ordinance so that salaries may increase without council intervention. For example, Chicago and Seattle council members receive automatic cost-of-living adjustments annually or biennially. Raises for Baltimore, Cleveland and St. Paul council members are tied to raises negotiated by city labor groups. Las Vegas and Cincinnati council member salaries are adjusted to track local county commissioners' salaries. The salary increases described in the attached table are for the most recent changes, regardless of how or why authorized.

POSITION CLASSIFICATION

Baltimore, Chicago, Des Moines, Las Vegas, St. Paul and Washington D.C. consider council membership a part-time position, while the remaining cities consider council membership a full-time position. Atlanta and Cincinnati's city charters do not specify whether council members are full- or part-time, but traditionally they are considered part-time. With the exception of Des Moines, each city provides salary and benefits congruent with a full-time position regardless of status. In fact, the Washington, D.C., and Chicago councils are amongst the highest paid, and both have part-time positions.

COUNCIL MEMBER STAFF SIZE

Des Moines is the only city in which council members do not have individual staff under their authority. Cleveland council members have one legislative assistant each, Atlanta, Baltimore, Cincinnati, Las Vegas and Minneapolis council members have 2-3 assistants each, and Boston, Chicago and Detroit council members have 4-7 staffers each. Portland council members also serve as city commissioners and oversee 5-6 employees each. Washington, D.C., council members oversee 5-8 office staff, as well as 5-6 staffers for each committee they chair.

CITY MANAGEMENT

Cincinnati, Des Moines, Fresno, Las Vegas and Sacramento employ city managers in addition to the mayor-council governance structure. In each community, the city manager is a mayoral appointment. Washington, D.C., employs a city administrator, which appears to be equivalent to a city manager, and Minneapolis employs a city coordinator to oversee city interests in county, state, and federal activities, and to supervise some city department heads. Detroit employed an emergency city manager with wide-ranging powers during 2013-14 bankruptcy proceedings. Once Detroit emerged from bankruptcy, the emergency city manager resigned, and the position was eliminated.

COUNCIL MEMBER OFFICE BUDGETS

Individual council member office budgets vary widely and take different forms. Some receive funds outright, while others must apply for reimbursements. Detroit and Washington, D.C., council members receive \$575,289 and \$486,000, respectively, to allocate amongst staffers' salaries. Portland council members also serve as city commissioners (department heads) and have control of multi-million dollar budgets for department staff and operations.

Chicago council members receive a \$97,000 per-year expense account, with few limitations. Fresno and Cleveland council members receive \$50,000 and \$82,000 annually, traditionally used for ward infrastructure projects. Seattle council members, who recently transitioned from at-large representation to district representation, began receiving \$58,000 annually to establish and maintain district offices. Baltimore, Cincinnati, Denver and Cleveland council members may take annual reimbursements of up to \$5,000, \$5,500, \$11,500 and \$14,400, respectively, for district expenses, with few restrictions.

COUNCIL MEMBER PENSIONS

Each of the cities surveyed provides some form of a retirement plan for council members. Las Vegas is the only city that offers council members a traditional employer-funded defined benefit (DB) pension. At the other end of the spectrum, Washington, D.C., contributes 5% of a council member's salary to a defined contribution (DC) plan, and permits council members to contribute to a deferred compensation account. Minneapolis and St. Paul participate in a state-run DB plan limited to elected officials, in which 5% employee contributions are matched by the city. The remaining cities participate in local- or state-run retirement programs with mandatory employee and employer contributions to DB plans or hybrid DB/DC plans. Council member contributions range from 1.5% to 10% of their salaries. Because pension plan contributions and benefits often vary depending on an employee's starting date, pension information in the attached table is listed with respect to those plans elected officials would have been eligible for as new hires in 2016.

If you have any other question related to this matter, please let me know.

Attachment

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